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Actions in follow-up to the recommendations of the International Conference on Population and Development

Flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development

Report of the Secretary-General

Summary

The present report is submitted in response to a request made at the twenty-eighth session of the Commission on Population and Development for an annual report on the flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development. It complies with General Assembly resolutions 49/128 and 50/124, in which the Assembly called for the preparation of periodic reports on the financial resources allocated for the implementation of the Programme of Action.

The report examines expected levels of donor and domestic expenditures for population activities in developing countries for 2008 and provides estimates for population expenditures in 2009 and projections for 2010. Donor assistance has been increasing steadily over the past few years, reaching $8.7 billion in 2007. It is estimated to have reached $10 billion in 2008. Given the current financial crisis, it is expected, however, that funding levels will not continue to exhibit the strong upward trend seen recently, but may increase only slightly, to $10.2 billion in 2009 and perhaps to $10.6 billion in 2010. A rough estimate of resources mobilized by developing countries, as a group, yielded a figure of $23.2 billion for 2008. The 2009 and 2010 figures are expected to follow the same pattern, increasing only slightly, to $23.3 billion in 2009 and to $25.7 billion in 2010.

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Current funding levels are way below the targets necessary to realize the goals of the Programme of Action and to achieve the Millennium Development Goals. This is true for all four components of the costed population package. The current global financial crisis is cause for additional concern, since funding is not expected to increase to the levels required to meet current needs any time soon. By 2009, the impact of the financial crisis will have been felt and countries whose gross domestic product declined are expected to have reduced spending on population programmes. This will affect in particular the poorest countries, which are the least able to mobilize the resources required to fund their population programmes.

I. Introduction

1. The present report has been prepared by the United Nations Population Fund (UNFPA) in response to a request at the twenty-eighth session of the Commission on Population and Development (see E/1995/27, annex I, sect. III) for an annual report on the flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development, held in Cairo in 1994.[1] The report is part of the work programme of the Commission on Population and Development and is submitted in accordance with General Assembly resolutions 49/128 and 50/124, in which the Assembly called for the preparation of periodic reports on the financial resources allocated for the implementation of the Programme of Action.

2. The report reviews the flow of funds from donor countries for population assistance in developing countries[2] and provides estimates of governmental and non-governmental expenditures for population activities in developing countries for 2008. It also includes donor and developing country estimates for 2009 and projections for 2010. Data collection activities for both donor and domestic resource flows were undertaken by the Netherlands Interdisciplinary Demographic Institute under a contract with UNFPA. To build regional capacity to monitor resource flows, UNFPA and the Institute work with the Indian Institute of Health Management Research in the collection of data on domestic expenditures. Data were evaluated and analysed jointly by UNFPA and the Netherlands Interdisciplinary Demographic Institute.

3. A detailed questionnaire was mailed to 168 key actors in the field of population and AIDS, including major multilateral organizations and agencies, large private foundations and other non-governmental organizations (NGOs) that provide substantial amounts of population assistance, and donor countries that are members of the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee. To decrease respondent fatigue, coordinate monitoring of resource flows and ensure consistency in reporting, as much information from donor countries as possible is obtained from the Development Assistance Committee database. Where complete data have not been received from major donors by the publication deadline, the information contained in the report is based on estimates, taking into account past funding behaviour.

4. Information on domestic resource flows is based on data supplied by Governments and non-governmental organizations in developing countries throughout the world, secondary sources and estimations and projections.

5. The external and domestic financial resource flows for population activities analysed in the report are based on the "costed population package" as specified in paragraph 13.14 of the Programme of Action. The package comprises family planning services; basic reproductive health services; prevention activities in the

[1] *Report of the International Conference on Population and Development, Cairo, 5-13 September 1994* (United Nations publication, Sales No. E.95.XIII.18), chap. I, resolution 1, annex.

[2] All references to developing countries in the present report include countries with economies in transition.

areas of sexually transmitted diseases (STDs) and HIV/AIDS;[3] and basic research, data and population and development policy analysis.

II. International assistance to population activities

6. Donor assistance for population activities continued to increase in 2007 and 2008. By 2007, it stood at $8.7 billion. The provisional figure for 2008 is $10 billion (see table 1). A considerable weakening of the strong upward trend observed in recent years is expected in 2009 and 2010, with funding levels expected to be $10.2 billion and $10.6 billion, respectively. Given the current global financial crisis, it is possible that the final figures for 2009 and 2010 will fall below those estimates.

Table 1
International population assistance, by major donor category, 2007-2010
(Millions of United States dollars)

Donor category	*2007*	*2008 (provisional)*	*2009 (estimated)*	*2010 (projected)*
Bilateral assistance				
Developed countries	7 488	8 950	8 788	9 202
Multilateral assistance				
United Nations system	62	14	103	107
Development bank grants	52	46	75	78
Development bank loans	577	354	354[a]	354[a]
Private assistance				
Foundations/non-governmental organizations	554	643	837	871
Subtotal excluding bank loans	8 155	9 653	9 804	10 258
Total	**8 732**	**10 006**	**10 158**	**10 612**

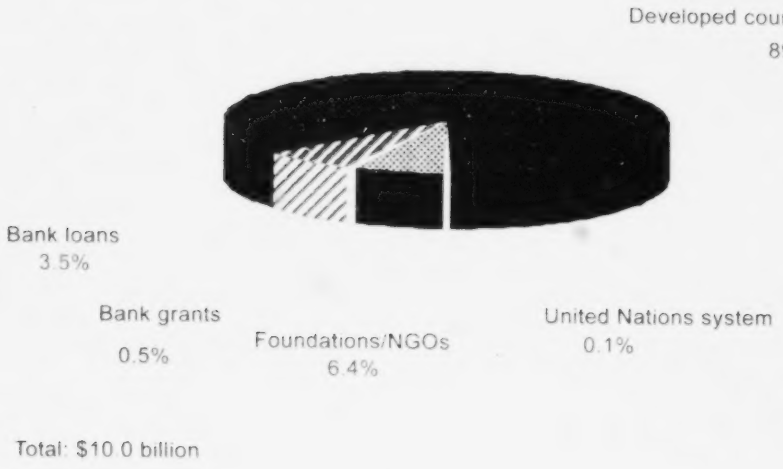
Source: UNFPA, *Financial Resource Flows for Population Activities in 2007* (New York, 2009) and Resource Flows Project database.

Note: Totals may not add up due to rounding.

[a] The 2009-2010 figures for development bank loans are estimated at the 2008 level.

[3] Beginning with the 1999 round of questionnaires, the Resource Flows Project began to include data on HIV/AIDS treatment and care to address the growing reporting needs of the Joint United Nations Programme on HIV/AIDS and because it was becoming increasingly impossible for respondents to provide information on HIV/AIDS prevention activities only.

Figure I
International population assistance by source, 2008



Source: Resource Flows Project database. Figures are provisional.

Note: Totals may not add up due to rounding.

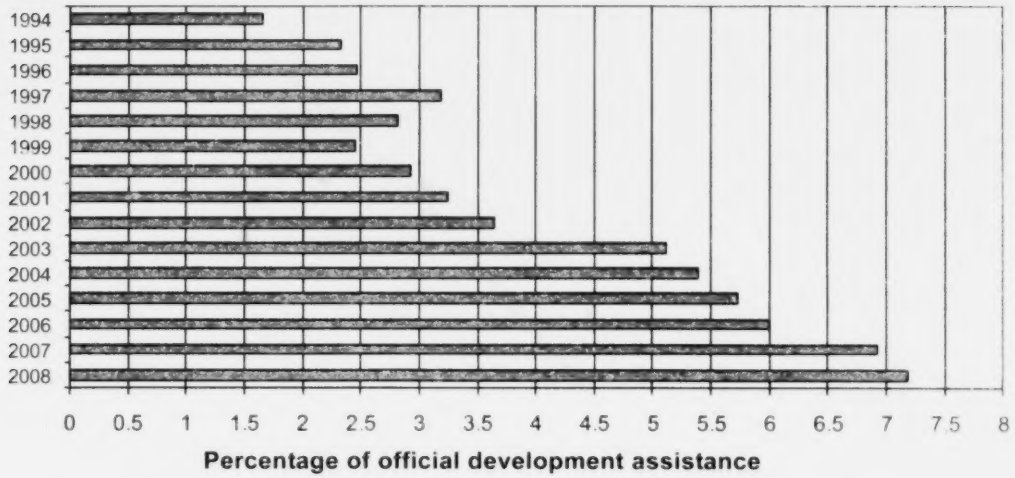
A. Bilateral assistance to population activities

7. Bilateral assistance provided by developed donor countries traditionally comprises the largest share of population assistance (see figure I). It is estimated that developed countries provided almost $9.0 billion in 2008, up from $7.5 billion in 2007. According to preliminary estimates, the financial crisis will result in decreased funding, $8.8 billion by donor countries for population activities in 2009. Projections for 2010 place this figure at $9.2 billion, reflecting a more optimistic financial outlook for the year.

8. Official development assistance (ODA) increased to $121.5 billion in 2008 from $103.5 billion in 2007. The percentage of total ODA that donor countries, as a group, contributed to population assistance increased to 7.19 per cent in 2008 from 6.93 per cent in 2007 (see figure II). There are significant variations between countries in the percentage of ODA spent on population activities, from 0.48 per cent to 20.59 per cent.

Figure II

Population assistance provided by donor countries as a percentage of official development assistance, 1994-2008



Source: UNFPA, *Financial Resource Flows for Population Activities in 2007* (New York, 2009) and Resource Flows Project database.

Note: Data for 2008 are provisional.

B. Multilateral assistance for population activities

9. Multilateral assistance for population activities consists of contributions provided by the organizations and agencies of the United Nations system and grants and loans provided by development banks.

United Nations system

10. Multilateral assistance originating in the United Nations system comprises mainly funds from the Joint United Nations Programme on HIV/AIDS, UNFPA, the United Nations Children's Fund and the World Health Organization. Whatever the United Nations agencies receive for population assistance from the Development Assistance Committee donor countries is considered to be bilateral assistance. General funds of agencies that are not earmarked for population activities, interest earned on funds and money from income-generating activities that is spent on population activities are considered to be multilateral assistance for population. Funds received from developing countries that agencies spend on population activities are a small portion of an agency's regular budget and are also included as multilateral assistance. Provisional figures for multilateral assistance originating with the United Nations system show only $14 million provided in 2008, compared to $62 million in 2007. This is due partly to the fact that a number of United Nations agencies did not provide information by the publication deadline.

11. UNFPA is the leading provider of United Nations assistance in the field of population, providing support to 158 developing countries in 2008. UNFPA relies on voluntary contributions and follows its strategic plan for 2008-2013, the goal of

which is to accelerate progress towards realizing the Programme of Action and the Millennium Development Goals, focusing on three key areas: population and development, reproductive health, and rights and gender equality. The plan is results-based and specifies anticipated outcomes and indicators to measure results.

Bank grants

12. The World Bank was the only development bank reporting expenditures for special grant programmes on population in 2008. The total amount of grants was $46 million.

Bank loans

13. Development banks, which provide loans to developing countries, are an important source of multilateral population assistance. Their contributions are treated separately from grants because their assistance is in the form of loans that must be repaid. The banks' projects reflect multi-year commitments recorded in the year in which they are approved but disbursed over several years. Most loans for population assistance come from the World Bank, which supports reproductive health and family planning service delivery, population policy development, HIV/AIDS prevention, and fertility and health survey and census work. In 2008, the World Bank made available $354 million in loans for population activities.

C. Private assistance for population activities

14. Foundations, non-governmental organizations and other private organizations are also important sources of population assistance. In 2008, it is estimated that foundations and NGOs contributed $643 million to population activities, up from $554 million in 2007. Given the current financial crisis, it is not certain whether the level of private assistance for population activities will continue to increase in 2009 and 2010.

III. Expenditures for population activities

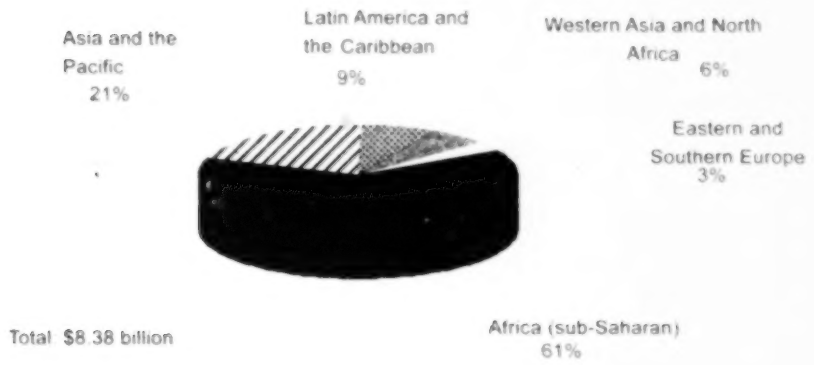
15. Figures for international population assistance reflect financial resources contributed by donors in a given year, while expenditure figures reflect the funds that have been received by developing countries in the year. International assistance may be provided by a donor either directly to the developing country or to an intermediate donor such as a multilateral organization or international NGO. Recipients may be developing country Governments, national NGOs or donor field offices in developing countries. International population assistance for a given year does not automatically equal the expenditure in that year as funds are not always spent in the year in which they were received. If the funds are channelled through an intermediate donor, they may not reach the recipient in the year in which they originated. Thus, for example, funds provided by a donor to a recipient country in year A are included in international population assistance and expenditures in year A. Funds provided by a donor to an intermediate donor in year A but spent in the recipient country in year B would be included under population assistance in year A and expenditures in year B. Development bank loans are not included in the

expenditure figures because they reflect large blocks of loan agreements made in a single year but intended to be expended over several years.

A. Expenditures for population activities by geographic region

16. Sub-Saharan Africa, which includes the majority of the least developed countries, continues to be the largest recipient of assistance, receiving more than half of all aid going to the five geographic regions (see figure III). About 39 per cent of all population assistance goes to fund global and interregional activities, including advocacy; research; reproductive health; support for the Global Fund to Fight AIDS, Tuberculosis and Malaria; HIV/AIDS prevention, care and support; and safe motherhood.

Figure III
Expenditures for population activities by geographic region, 2008


Asia and the Pacific 21%
Latin America and the Caribbean 9%
Western Asia and North Africa 6%
Eastern and Southern Europe 3%
Total $8.38 billion
Africa (sub-Saharan) 61%

Source: Resource flows project database. Figures are provisional.
Note: Development bank loans are not included.

B. Expenditures for population activities by category of activity

17. The growing trend towards the integration of services and the use of sector-wide approaches in development assistance is making it increasingly difficult for countries to readily distinguish between expenditures for population and other health-related activities and, within the population sector, between family planning, reproductive health and STD/HIV/AIDS activities. However, while precise figures may not always be available, it is still possible to estimate the amount of resources spent on each of the four categories of the costed population package. Monitoring expenditures for the separate categories is an important component of budgeting, policymaking and programme planning.

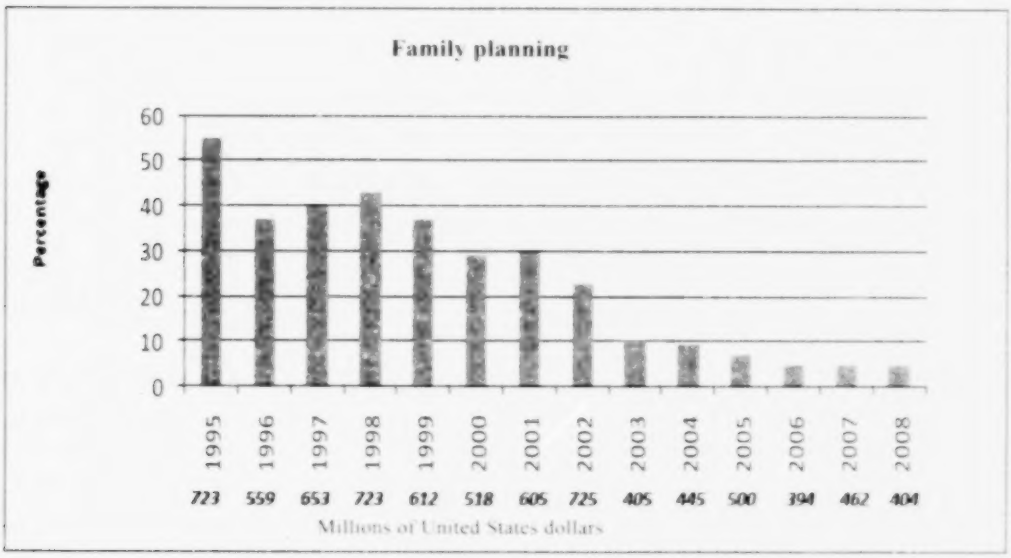
18. UNFPA monitors expenditures for population activities in the following four costed categories: (a) family planning services; (b) basic reproductive health

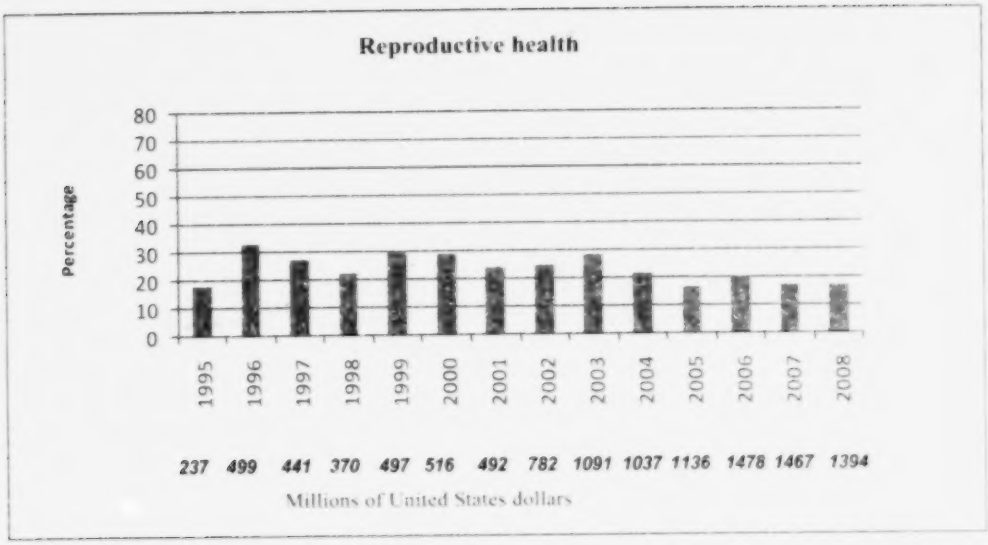
services; (c) STD/HIV/AIDS activities; and (d) basic research, data and population and development policy analysis. Although funding has increased over the years, it has not been increasing in all areas of the costed population package. In fact, the increase in resource mobilization is due in large part to increases in funding for HIV/AIDS. It is important to ensure a substantial amount of money to stop the spread of HIV/AIDS, but it is also critically important to mobilize adequate resources for the other components of the population package, especially for family planning and reproductive health, which are key for the achievement of Millennium Development Goal 5, the one that is falling behind the most (see figure IV).

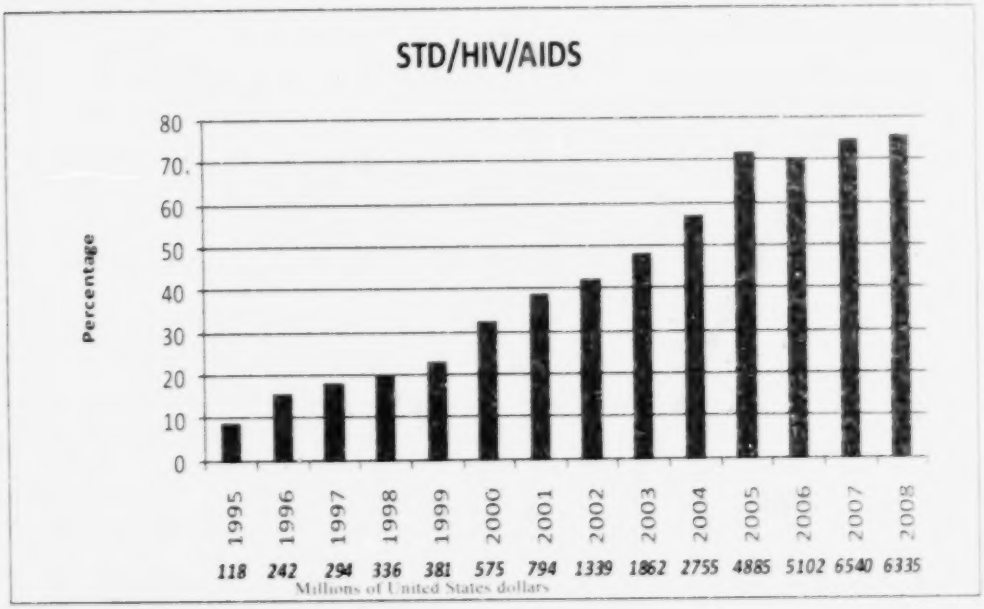
19. Funding for family planning services has decreased in absolute dollar terms since 1995, when UNFPA first began monitoring resource flows by the four costed population categories. Although funding for reproductive health and basic research activities has increased, HIV/AIDS activities continue to receive by far the most population assistance. It remains to be seen whether funding for family planning and reproductive health will increase in 2009 and 2010 as a result of the reaffirmation by the international community of the importance of such investments at the commemoration of the fifteenth anniversary of the Conference in 2009 and the renewal of its commitments at the tenth anniversary of the Millennium Summit, in 2010.

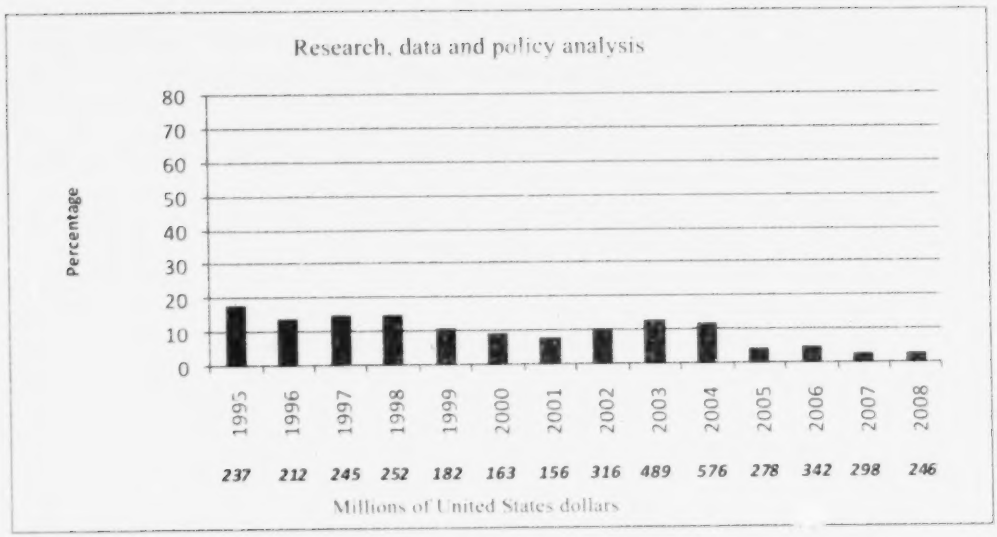
Figure IV

Expenditures for population activities as a percentage of total funding, by category of population activity, 1995-2008




Reproductive health
Percentage
80
70
60
50
40
30
20
10
0
1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008
237 499 441 370 497 516 492 782 1091 1037 1136 1478 1467 1394
Millions of United States dollars


STD/HIV/AIDS
Percentage
80
70
60
50
40
30
20
10
0
1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008
118 242 294 336 381 575 794 1339 1862 2755 4885 5102 6540 6335
Millions of United States dollars



Source: UNFPA, *Financial Resource Flows for Population Activities in 2007* (New York, 2009) and Resource Flows Project database.
Note: Development bank loans are not included.

C. Expenditures for population activities by channel of distribution

20. Assistance for population activities flows through a diverse network, moving from the donor to the recipient country through one of the following channels: (a) bilateral — directly from the donor to the recipient country Government; (b) multilateral — through United Nations organizations and agencies; and (c) non-governmental. The bilateral channel has overtaken the NGO channel, which predominated during the past decade. In 2008, it is estimated that about 21 per cent of population assistance was channelled by NGOs, compared to 53 per cent that went through the bilateral channel and 26 per cent that came from multilateral sources. This trend is expected to continue in 2009 and 2010 largely as a result of bilateral AIDS programmes.

IV. Domestic expenditures for population activities

A. Methodology

21. The Programme of Action estimated that two thirds of the funding required to finance population programmes would come from the domestic resources of developing countries. The mobilization of adequate domestic financial resources is therefore essential for the full implementation of the Cairo agenda. UNFPA has been monitoring domestic expenditures for population activities since 1997, primarily through the use of survey questionnaires sent to its country offices throughout the world for further distribution to Government ministries and large national NGOs. Although most Governments make every effort to provide the information requested, many are often unable to supply data because of funding, staffing and

time constraints. In addition, countries that do not have well-developed systems for monitoring resource flows are unable to provide information, especially when funding is pooled in integrated social and health projects and sector-wide approaches. Furthermore, most countries with decentralized Governments have not yet put in place accounting systems that readily allow for the provision of information on expenditures for population at subnational (lower administrative) levels.

22. In the present report, total global domestic expenditures for population activities are estimated using a methodology that incorporates the responses of the countries surveyed, prior reporting on actual and intended expenditures and secondary sources on national spending, and, in the absence of such information, estimates and projections are based on national income as measured by the level of gross domestic product (GDP), which proved the most influential variable explaining the growth of spending by Governments.[4]

B. Estimates and projections of domestic expenditures

23. The latest estimates and projections of global domestic expenditures for population activities for 2008-2010 are presented in table 2. While the overall levels mobilized increased very slightly from 2008 to 2009 and are projected to increase more significantly in 2010 as the worst of the financial crisis is expected to pass, it should be noted that this is due to the continued strong mobilization of resources in the Asia and Pacific region, which is heavily influenced by the two largest countries, which are least affected by the crisis. It is estimated that developing countries spent $23.2 billion for population activities in 2008. The largest amount was mobilized in Asia ($15.8 billion), followed by sub-Saharan Africa ($3.0 billion), Latin America and the Caribbean ($2.5 billion), Western Asia and North Africa ($1.0 billion) and Eastern and Southern Europe ($829 million).

24. Domestic expenditures are estimated to have increased only slightly, to $23.3 billion, in 2009 largely because of the effects of the financial crisis and the inability of many countries to increase expenditures for population activities. As the worst of the financial crisis passes, it is expected that domestic expenditures will increase to $25.7 billion in 2010. Asia is expected to continue to mobilize the largest amount of financial resources in both 2009 and 2010. Sub-Saharan Africa is expected to mobilize the second largest amount of funds, followed by Latin America and the Caribbean, Western Asia and North Africa, and Eastern and Southern Europe. Given the current global financial crisis, it is possible that resources will not reach projected levels.

25. It is estimated that 33 per cent of all domestic expenditures for population were spent on STD/HIV/AIDS activities in 2008. This percentage varied considerably by region, from 83 per cent in Eastern and Southern Europe to 15 per cent in Asia and the Pacific.

26. Data on domestic resource flows are rough estimates because they are often incomplete and not entirely comparable. However, the information is useful in that it provides some idea of the progress made by developing countries in achieving the

[4] See Erik Beekink and Annemarie Ernsten, "Projections of funds for population and AIDS activities, 2007-2009", (The Hague, 2008).

financial resource targets of the Programme of Action. While the figures show real commitment on the part of developing countries, they conceal the great variation in countries' ability to mobilize resources for population activities. Most domestic resource flows originate in a few large countries. Many countries, especially those in sub-Saharan Africa and the least developed countries, are not able to generate sufficient resources to finance their own population programmes and rely heavily on donor assistance.

Table 2
Projection of global domestic expenditures for population activities, 2008-2010
(Thousands of United States dollars)

	Source of funds				
	Government	Aids	Consumers[a]	Total	Percentage share of HIV/AIDS
2008					
Africa (sub-Saharan)	1 382 127	131 200	1 493 835	3 007 162	79
Asia and the Pacific	4 496 758	148 180	11 169 947	15 814 885	15
Latin America and the Caribbean	1 607 915	78 872	862 943	2 549 730	80
Western Asia and North Africa	579 163	57 685	373 560	1 010 408	22
Eastern and Southern Europe	536 879	15 922	276 493	829 293	83
Total	**8 602 842**	**431 859**	**14 176 777**	**23 211 478**	**33**
2009					
Africa (sub-Saharan)	1 377 532	128 405	1 489 087	2 995 025	79
Asia and the Pacific	4 564 348	148 043	11 337 840	16 050 231	14
Latin America and the Caribbean	1 586 998	77 115	847 159	2 511 272	80
Western Asia and North Africa	541 146	54 819	349 039	945 003	22
Eastern and Southern Europe	506 659	14 461	260 929	782 049	85
Total	**8 576 683**	**422 842**	**14 284 055**	**23 283 580**	**32**
2010					
Africa (sub-Saharan)	1 383 207	132 765	1 494 950	3 010 922	79
Asia and the Pacific	5 228 282	152 198	12 987 052	18 367 533	12
Latin America and the Caribbean	1 607 179	79 480	862 345	2 549 004	80
Western Asia and North Africa	572 891	57 884	369 515	1 000 291	22
Eastern and Southern Europe	512 890	14 720	264 138	791 748	85
Total	**9 304 450**	**437 047**	**15 978 001**	**25 719 498**	**29**

Source: Resource Flows Project database. See also Erik Beekink and Annemarie Ernsten, "Projections of funds for population and AIDS activities, 2007-2009" (The Hague, 2008).

[a] Consumer spending on population activities covers only out-of-pocket expenditures and is based on the average amount spent per region, as measured by the World Health Organization, for health care in general. For each region, the ratio of private out-of-pocket versus per capita Government expenditures was used to derive consumer expenditures in the case of population activities.

C. Components of domestic funding for population activities

27. Domestic funding for population activities comes primarily from Governments, national NGOs and private consumers. Governments are considered to be responsible for most domestic expenditures for population activities. However, since the level of Government funding usually depends on the level of national income, Governments of least developed countries, which are faced with many competing development priorities, often cannot afford to make the necessary investments in population programmes. They rely heavily on external funding from donors. National NGOs also contribute financial resources for population activities, but the majority of them are also highly dependent on international resources. Their main role lies in advocacy work and in reaching people at the grass-roots level.

28. Consumer spending as measured by out-of-pocket expenditures represents the largest part of resources spent on population activities. Private consumer expenditures account for a large percentage of total funding for health care. Although the exact amount of worldwide health-care spending for population activities is not known, it stands to reason that a significant proportion of expenditures for family planning, reproductive health and STD/HIV/AIDS services are borne by consumers. The few available sources of information on private spending reveal great variations between regions and countries and, in some cases, changes over time in the share of private spending within countries themselves. In estimating consumer spending, the Resource Flows Project used out-of-pocket health expenditures of households from the national health account figures collected by the World Health Organization. The out-of-pocket health expenditures were assumed to be completely in line with out-of-pocket expenditures for population goods and services.

V. Funding requirements to achieve the objectives of the Programme of Action

29. To ensure adequate funding for the implementation of the Programme of Action, UNFPA reviewed the original estimates for the four categories of the costed population package and produced revised estimates to meet current needs and costs. The revised estimates, which were presented to the Commission on Population and Development at its forty-second session, in 2009, are much higher than the original targets agreed on in 1994 because they take into account both current needs and current costs and because they include such interventions as AIDS treatment and care and reproductive cancer screening and treatment that were not part of the original package.

30. Table 3 sets out the levels of funding required to achieve the objectives of the Programme of Action. In order to fully fund the necessary sexual and reproductive health services, including family planning and HIV/AIDS services, as well as censuses, surveys, civil registration and population research and training, the international community would need to mobilize $49 billion in 2009. The costs are minimum estimates required to implement the goals in those areas. There will always be unspecified costs that fall outside the scope of the cost estimates, as well as adjustments for demand generation, stock maintenance and the like.

Table 3

Updated estimates for implementation of the Programme of Action, by subregion, 2009-2015

(Millions of United States dollars)

	2009	2010	2011	2012	2013	2014	2015
Global	**48 980**	**64 724**	**67 762**	**68 196**	**68 629**	**69 593**	**69 810**
Sexual reproductive health family planning	23 454	27 437	30 712	32 006	32 714	33 284	33 030
Family planning direct costs	2 342	2 615	2 906	3 209	3 529	3 866	4 097
Maternal health direct costs	6 114	7 868	9 488	11 376	13 462	15 746	18 002
Programme and system-related costs	14 999	16 954	18 319	17 422	15 723	13 672	10 931
HIV/AIDS	23 975	32 450	33 107	33 951	34 734	35 444	36 189
Basic research data policy analysis	1 551	4 837	3 943	2 239	1 181	864	591
Sub-Saharan Africa	**20 063**	**27 075**	**29 473**	**29 869**	**30 292**	**30 022**	**28 980**
Sexual reproductive health family planning	8 482	10 612	12 596	12 675	12 764	12 184	10 731
Family planning direct costs	329	414	506	606	713	827	931
Maternal health direct costs	1 429	1 833	2 280	2 771	3 306	3 883	4 411
Programme and system-related costs	6 725	8 366	9 809	9 298	8 746	7 473	5 389
HIV/AIDS	11 228	15 891	16 227	16 746	17 243	17 638	18 110
Basic research data policy analysis	353	571	651	449	285	200	139
Asia and the Pacific	**17 549**	**23 281**	**23 923**	**23 788**	**23 862**	**24 415**	**25 245**
Sexual reproductive health family planning	9 055	10 278	11 027	11 753	12 124	12 820	13 533
Family planning direct costs	1 434	1 552	1 675	1 803	1 937	2 077	2 156
Maternal health direct costs	2 799	3 664	4 299	5 110	6 018	7 024	8 054
Programme and system-related costs	4 822	5 062	5 053	4 840	4 169	3 719	3 323
HIV/AIDS	7 853	10 687	10 848	11 048	11 207	11 409	11 525
Basic research data policy analysis	641	2 316	2 048	987	530	186	187
Latin America and Caribbean	**6 366**	**7 591**	**7 439**	**7 775**	**7 699**	**7 966**	**8 320**
Sexual reproductive health family planning	3 132	3 401	3 627	3 837	3 922	4 119	4 347
Family planning direct costs	310	343	378	414	452	492	518
Maternal health direct costs	958	1 182	1 431	1 706	2 009	2 340	2 689
Programme and system-related costs	1 864	1 876	1 818	1 717	1 461	1 286	1 150
HIV/AIDS	3 072	3 461	3 562	3 630	3 703	3 770	3 867
Basic research data policy analysis	162	729	250	309	74	78	106
Western Asia and North Africa	**2 795**	**3 685**	**3 418**	**3 538**	**3 501**	**3 865**	**3 721**
Sexual reproductive health family planning	1 852	2 009	2 130	2 232	2 258	2 339	2 415
Family planning direct costs	178	204	231	261	292	325	346
Maternal health direct costs	603	735	873	1 019	1 171	1 328	1 471
Programme and system-related costs	1 071	1 070	1 025	953	796	686	598
HIV/AIDS	798	1 095	1 112	1 131	1 146	1 163	1 183
Basic research data policy analysis	145	582	177	174	97	363	123

	2009	2010	2011	2012	2013	2014	2015
Eastern and Southern Europe	**2 204**	**3 091**	**3 508**	**3 226**	**3 275**	**3 326**	**3 542**
Sexual/reproductive health/family planning	933	1 137	1 334	1 510	1 645	1 824	2 004
Family planning direct costs	91	103	116	125	135	145	146
Maternal health direct costs	324	454	605	771	960	1 171	1 386
Programme and system-related costs	517	579	613	614	551	508	471
HIV/AIDS	1 023	1 316	1 358	1 397	1 435	1 465	1 503
Basic research/data/policy analysis	248	638	816	320	195	38	35

Note: UNAIDS has recently updated its cost estimates for HIV/AIDS expenditures to depict a scenario that reaches coverage later than the original figures presented here. While regional figures have not been officially released, the global 2009 figure for HIV/AIDS is $20 billion. This increases incrementally until it reaches $37 billion in 2015, slightly higher than the original figure.

31. The costing estimates for family planning assume that the current unmet need will be satisfied in 2015, although there is likely to be greater demand for family planning as people become more aware of the options. The costing estimates for reproductive health include antenatal care, delivery care, obstetric complication care, newborn interventions, reproductive organ cancer screening and treatment as well as other maternal care interventions. STD/HIV/AIDS costing includes elements for prevention, treatment, care and support, including elements specifically to address the prevention of violence against women.

32. The cost estimates for the drugs, supplies and personnel needed to achieve the goals of the Programme of Action increase significantly over time owing to increases in the number of people projected to be receiving care as service coverage is scaled up as well as increases in the underlying population.

33. Health systems and programme costs related to family planning and reproductive health were estimated to reflect the need for a significant investment in the health systems and planning in order to achieve the goal of universal coverage. Without adequate investment in health systems and programmes, it will be impossible to achieve the coverage goals. Elements included in this cost estimate include programme management, supervision, health education, monitoring and evaluation, advocacy, health system infrastructure, information systems, human resources training and commodity supply systems. The cost estimates for the health systems and programmes assume that the bulk of the investment will be made between 2009 and 2013. As a result of this assumption, the estimates for health systems and programme costs peak in 2011 and then begin to decline. Cost estimates also include support during humanitarian crisis situations, which are an ongoing challenge to medical systems in many countries.

34. Total costs for sexual and reproductive health, which includes the family planning and maternal health components (including direct costs and programme and systems costs), are estimated to be $23.5 billion in 2009, peak at $33.3 billion in 2014 and decrease slightly to $33 billion in 2015. Total costs for the HIV/AIDS

component are estimated to be $24 billion in 2009 and to increase each year thereafter, until they reach $36.2 billion in 2015.[5]

35. The estimates for the basic data, research and population and development policy analysis component were obtained by summing four expenditure categories: censuses, surveys, civil registration, and research and training. Census expenditures were based on per capita census costs by subregion, which varied from $1.50 in East, Central and North Africa to $11.70 in Southern Europe. The total was then allocated to a four-year period: 10 per cent in the year before the census, 60 per cent in the census year and 15 per cent in each of the two years after the census. Survey costs were estimated at $1.25 or $1.50 per household, depending on the subregion, while the household sample sizes were estimated at 1 per cent, 0.5 per cent or 0.25 per cent, depending on whether the country had less than 1 million, between 1 million and 25 million or more than 25 million inhabitants. Furthermore, it was assumed that all developing countries should have a survey of this kind once every four years.

36. For civil registration costs, it was assumed that the cost of processing each event (births, deaths, marriages, divorces) and entering it into the statistical system was one third of the per capita census cost for each subregion. Research and training costs were computed as 5 per cent of the total average annual costs of the previous three categories over the period from 2005 to 2015. The updated estimates for the data and research component are considerably higher than the original estimates agreed upon in Cairo in 1994 primarily because they reflect the real costs of census-taking to a much larger degree than previously. This is especially true in 2010, when total spending will reach $4.84 billion, of which $4.41 billion will be census expenditure. On the whole, census costs make up about three quarters (75.8 per cent) of the total. Surveys comprise 6.9 per cent and civil registration 12.5 per cent. The average annual expenditure over the seven-year period is estimated to be $2.17 billion.

37. It is clear that current funding levels for all four categories of the costed population package are considerably below what is necessary to meet the needs in developing countries. In fact, the gap between actual resources mobilized and the funding levels required is greater than it has ever been. Funding levels will not be sufficient to meet current requirements. Given the global financial crisis, stagnating funding levels and the uncertainty of future funding, the full implementation of the Cairo agenda may indeed be in jeopardy. If estimates for 2009 hold, and if donors did indeed contribute around $10 billion and developing countries mobilized approximately $23 billion in domestic resources, the total amount is roughly $16 billion short of what was needed in 2009 to finance population programmes in developing countries.

38. In the case of family planning, the absolute dollar amounts are lower than they were in 1995. This has important implications for addressing the unmet need for contraception and ensuring that women can exercise their reproductive rights. Funding for reproductive health, although considerably larger than in 1995, has decreased since 2006. This also has implications for ensuring universal access to

[5] UNAIDS has recently updated its cost estimates for HIV/AIDS expenditures to depict a scenario that reaches coverage later than the figures presented in table 3. While regional figures have not been officially released, the global 2009 figure for HIV/AIDS is $20 billion. This increases incrementally until it reaches $37 billion in 2015, slightly higher than the original figure.

reproductive health, especially access to appropriate, acceptable and affordable services to address the needs of women, men and adolescents. Current levels of funding for HIV/AIDS programmes, although much higher than that of the other components of the costed population package, are still inadequate for prevention and treatment. The rising cost of collecting data requires adequate resources to ensure that countries conduct their current decennial census, carry out periodic surveys, maintain civil registration systems and provide the necessary training and support for research to inform policymaking and programme planning.

39. Both donor and domestic funding should be increased in all four components of the costed population package to ensure the implementation of the goals of the Programme of Action and the achievement of the Millennium Development Goals.

VI. Major challenges in implementing the financial targets

40. *Impact of the global financial crisis*. The current global financial crisis will affect the amount of resources that Governments will be able to allocate to population activities. Even in the best of times, funding behaviour is not easy to predict. Estimates and projections are dependent on whether Governments follow the expected patterns of spending given past reported expenditures and levels of national income and whether they live up to their commitments. In times of financial downturn, the poorest countries are often the hardest hit and may not be able to mobilize the resources necessary to implement population programmes. Further strains on the already overburdened public sector may mean that health services such as antenatal and post-natal care, reproductive health and family planning may be perceived as non-essential. The financial crisis is raising concerns about whether aid commitments will be honoured. Donors experiencing slowing economic growth may scale down population assistance and decrease development spending as they seek to strengthen their own economies and provide services at home. Estimates for 2009 show signs that this is already happening. Official development assistance may become more volatile at a time when developing countries are most in need.

41. *Heavy dependence on a few key players for resource mobilization*. Population assistance originates with a few major donors, and the majority of domestic resources are mobilized in a few large developing countries. Most donor countries do not provide substantial funding for population activities, and most developing countries are not in a position to mobilize sufficient resources to fund much-needed population and AIDS programmes and to achieve the Millennium Development Goals. Poor countries are faced with many competing development priorities, and many of them simply cannot afford to make the necessary investments in population.

42. *Disproportionate share of consumers in population expenditures*. The role played by consumers in population spending is much larger than usually assumed. In many cases, it exceeds Government and NGO expenditures. Although variations exist between regions and countries, if spending on population and AIDS activities is completely in line with spending on health in general, then it is safe to assume that consumers in developing countries pay more than half of the burden of population expenditures. Out-of-pocket spending by consumers, especially the poor,

has important implications for policy initiatives aimed at reducing poverty and income inequality in the developing world.

43. *Less funding received for family planning.* In absolute dollar terms, funding for family planning is lower than it was in 1995. If not reversed, the trend towards less funding for family planning will have serious implications for countries' ability to address unmet needs for such services and could undermine efforts to prevent unintended pregnancies and reduce maternal and infant mortality. Providing modern family planning services brings a range of benefits for women, their families and society. Addressing family planning needs helps to reduce the number of unintended pregnancies, miscarriages and induced abortions.[6]

44. *Centrality of population and reproductive health to development and the achievement of the Millennium Development Goals.* At the 2005 World Summit, world leaders committed themselves to "achieving universal access to reproductive health by 2015, as set out at the International Conference on Population and Development, integrating this goal in strategies to attain the internationally agreed development goals, including those contained in the Millennium Declaration, aimed at reducing maternal mortality, improving maternal health, reducing child mortality, promoting gender equality, combating HIV/AIDS and eradicating poverty" (General Assembly resolution 60/1, para. 57 (g)). The Millennium Development Goals, especially the eradication of extreme poverty and hunger, will not be achieved if population and health issues are not addressed. This includes the promotion of women's rights and greater investments in education and health, including reproductive health and family planning.

45. *The new aid environment.* The provision of aid is no longer business as usual. Given limited financial resources, issues of cost-effectiveness and programme efficiency are increasingly in the forefront. It is not sufficient for resources to be mobilized; both donors and recipients must make sure that the resources are used for the benefit of all, especially the poor. The coordination of donor policies and the identification of funding gaps are also essential. In an effort to reform the way in which aid is delivered and managed, ministers of both developed and developing countries responsible for promoting development and heads of multilateral and bilateral development institutions endorsed the Paris Declaration on Aid Effectiveness (March 2005), aimed at increasing the impact of aid on reducing poverty and inequality, increasing growth, building capacity and accelerating the achievement of the Millennium Development Goals.

VII. Conclusion

A. Progress in resource mobilization

46. Although considerable progress has been made, the financial resources currently mobilized are not sufficient to meet today's growing needs. Current funding levels are way below the more realistic revised targets necessary to realize the goals of the Programme of Action and achieve the Millennium Development Goals. This is true for all four components of the costed population package. The

[6] Guttmacher Institute and UNFPA, *Adding it Up: The Costs and Benefits of Investing in Family Planning and Maternal and Newborn Health* (New York, 2009).

lack of adequate funding remains the chief constraint to the full implementation of the goals.

47. Of particular concern is the decreasing proportion of funding for family planning services, which, if not reversed, may have serious implications for countries' ability to address unmet needs for such services and could undermine efforts to prevent unintended pregnancies and reduce maternal and infant mortality. It is also very important to ensure adequate investments to support the 2010 round of censuses.

B. The way forward

48. A lack of adequate resources to meet current needs is a major impediment to the achievement of both the goals of the Programme of Action and the Millennium Development Goals. The current global financial crisis is of special concern, since funding is not expected to continue increasing at the levels required to meet current needs in developing countries. It is essential that all Governments, of both donor and developing countries, recommit themselves to implementing the objectives of the Programme of Action and mobilizing the resources required to meet those objectives given current needs. It is important that funding for all four population categories increase. It is especially important to ensure that family planning and reproductive health issues receive the increased attention they deserve, which is necessary in order to achieve Millennium Development Goal 5.

49. To accelerate the implementation of the Cairo agenda and to achieve the Millennium Development Goals, the international community should continue to ensure that population and reproductive health are seen as an integral part of the achievement of the Millennium Development Goals and that they figure prominently in national development programmes and poverty reduction strategies.

50. Given limited financial resources, it is essential that donor countries, international agencies and recipient countries continue to strengthen their efforts and their collaboration to avoid duplication, identify funding gaps and ensure that resources are used as effectively and efficiently as possible. Coordinating donor financing policies and planning procedures will help to enhance the impact and cost-effectiveness of contributions to population programmes.

51. The private sector has an important role to play in the mobilization of resources for population and development and in the monitoring of population expenditures. Civil society, especially women's NGOs, can be instrumental in trying to ensure that Governments achieve financial targets and equity objectives and that resources reach all segments of the population, especially those that are most in need.

52. The challenge is to mobilize sufficient resources to meet growing needs. This is particularly important given the current global financial crisis. Increased political will and a redoubling of efforts to generate additional international assistance and to increase domestic funding are urgently needed to accelerate the implementation of the Programme of Action and achieve the Millennium Development Goals.